BEFORE THE PRESIDING DISCIPLINARY JUDGE

IN THE MATTER OF A MEMBER OF THE STATE BAR OF ARIZONA,

RYAN CHRISTOPHER HENGL, Bar No. 023931

Respondent.

PDJ 2023-9014

FINAL JUDGMENT AND ORDER

[State Bar Nos. 22-0104, 22-0355, 22-0687, 22-0795, and 22-2058]

FILED MARCH 2, 2023

The Presiding Disciplinary Judge having accepted an Amended Agreement for Discipline by Consent pursuant to Rule 57(a), Ariz. R. Sup. Ct.,

IT IS ORDERED that RYAN CHRISTOPHER HENGL, Bar No. 023931, is suspended from the practice of law in Arizona for six months and one day, effective 30 days from the date of this order, for his conduct in violation of the Arizona Rules of Professional Conduct and Rules of the Supreme Court of Arizona, as outlined in the consent documents.

IT IS FURTHER ORDERED that Respondent pay Michael Dunton restitution in the amount of \$4,000.00. He shall pay \$1,000 on the first of each month, beginning April 1, 2023, until the amount is paid in full.

IT IS FURTHER ORDERED that Respondent satisfy the judgment imposed against him in Yuma County Superior Court case no. S-1400-CV-202100111 within 30 days.

IT IS FURTHER ORDERED that Respondent comply with the requirements

relating to notification of clients and others and provide and/or file all notices and

affidavits required by Rule 72, Ariz. R. Sup. Ct.

IT IS FURTHER ORDERED that Respondent pay the costs and expenses of the

State Bar of Arizona in the amount of \$1,204.60, within 30 days. There are no costs or

expenses incurred by the office of the Presiding Disciplinary Judge in these proceedings.

DATED this 2nd day of March, 2023.

Margaret H. Downie

Margaret H. Downie

Presiding Disciplinary Judge

Copies of the foregoing emailed this 2nd day of March, 2023, to:

Hunter F. Perlmeter

LRO@staff.azbar.org

Gary L Stuart

gstuart@keyed.com

by: SHunt

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BEFORE THE PRESIDING DISCIPLINARY JUDGE

IN THE MATTER OF A MEMBER OF THE STATE BAR OF ARIZONA,

RYAN CHRISTOPHER HENGL, Bar No. 023931

Respondent.

PDJ 2023-9014

DECISION ACCEPTING AMENDED AGREEMENT FOR DISCIPLINE BY CONSENT

[State Bar Nos. 22-0104, 22-0355, 22-0687, 22-0795, and 22-2058]

FILED MARCH 2, 2023

On February 17, 2023, the parties filed an Agreement for Discipline by Consent ("Agreement") pursuant to Rule 57(a), Ariz. R. Sup. Ct. The Presiding Disciplinary Judge (PDJ) requested amendments to the Agreement, and on March 1, 2023, the parties filed an Amended Agreement for Discipline by Consent ("Amended Agreement") that addressed the PDJ's concerns. The State Bar of Arizona is represented by Senior Bar Counsel Hunter F. Perlmeter. Respondent Ryan Christopher Hengl is represented by Gary L. Stuart.

The Amended Agreement resolves five charges for which probable cause orders have issued, though no formal complaint has been filed. Contingent on approval of the proposed form of discipline, Mr. Hengl has voluntarily waived his right to an adjudicatory hearing, as well as all motions, defenses, objections, or requests that could

be asserted. Notice of the Agreement was sent to the complainants on February 10, 2023, pursuant to Rule 53(b)(3), and no objections were received.¹

The Amended Agreement details a factual basis in support of Mr. Hengl's conditional admissions and is incorporated by reference. *See* Rule 57(a)(4), Ariz. R. Sup. Ct. Mr. Hengl conditionally admits violating Rule 42, Ariz. R. Sup. Ct., ER 1.2 (scope of representation), ER 1.3 (diligence), ER 1.4 (communication), ER 1.5 (fees), ER 1.16 (declining or terminating representation), ER 8.4(c) (conduct involving dishonesty, deceit, fraud, or misrepresentation), and ER 8.4(d) (conduct prejudicial to the administration of justice). As a sanction, the parties agree to a suspension of six months and one day, payment of restitution to one former client, payment of a judgment issued by the Yuma County Superior Court against Mr. Hengl, and payment of costs to the State Bar.

The Amended Agreement details the underlying ethical violations, which are not repeated herein. Mr. Hengl conditionally admits engaging in misconduct relating to six different client matters. Generally speaking, he failed to diligently represent or adequately communicate with his clients, failed to pay a court-imposed sanction against him, and accepted funds for an appeal that had been dismissed without informing his client of the dismissal.

¹ The Amended Agreement calls for a lengthier suspension than the Agreement forwarded to the complainants. Because complainants did not object to the Agreement, it was not necessary to send them the Amended Agreement for potential objections.

Mr. Hengl violated duties owed to clients and the legal system, causing actual

harm. Some of his misconduct was intentional, and some was negligent. The parties

agree that the appropriate sanction under the American Bar Association's Standards for

Imposing Lawyer Sanctions (ABA Standards) is a suspension. See ABA Standards 4.42 and

4.62. They further stipulate to the existence of three aggravating factors: 9.22(b) (selfish

or dishonest motive), 9.22(c) (pattern of misconduct), and 9.22(d) (multiple offenses).

Two mitigating factors apply: 9.32(c) (personal or emotional problems) and 9.32(l)

(remorse).

Under the circumstances, the presumptive sanction of suspension is appropriate,

and the length of the agreed-upon suspension will ensure that Mr. Hengl goes through

reinstatement proceedings under Rule 65, Ariz. R. Sup. Ct., if he wishes to again practice

law in Arizona.

For the reasons stated,

IT IS ORDERED accepting the Amended Agreement. A final judgment and order

is signed this date.

DATED this 2nd day of March, 2023.

Margaret H. Downie

Margaret H. Downie

Presiding Disciplinary Judge

COPY of the foregoing e-mailed

this 2nd day of March, 2023 to:

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Hunter F. Perlmeter LRO@staff.azbar.org

Gary L. Stuart gstuart@keyed.com

by: <u>SHunt</u>

Hunter F. Perlmeter, Bar No. 024755 Senior Bar Counsel State Bar of Arizona 4201 N. 24th Street, Suite 100 Phoenix, Arizona 85016-6266 Telephone (602)340-7272 Email: LRO@staff.azbar.org

Gary L. Stuart, Bar No. 002061 2039 E Glenn Dr. Phoenix, AZ 85020-5647 Telephone 602-481-1972 Email: gstuart@keyed.com Respondent's Counsel

BEFORE THE PRESIDING DISCIPLINARY JUDGE

IN THE MATTER OF A MEMBER OF THE STATE BAR OF ARIZONA,

RYAN CHRISTOPHER HENGL Bar No. 023931

Respondent.

PDJ 2023-9014

[State Bar File No. 22-0104, 22-0355, 22-0687, 22-0795, and 22-2058]

AMENDED AGREEMENT FOR DISCIPLINE BY CONSENT

The State Bar of Arizona and Respondent Ryan Christopher Hengl, who is represented in this matter by counsel Gary Stuart, hereby submit their Agreement for Discipline by Consent pursuant to Rule 57(a), Ariz. R. Sup. Ct. A probable

cause order was entered on January 18, 2023. No formal complaint has been filed. Respondent voluntarily waives the right to an adjudicatory hearing, unless otherwise ordered, and waives all motions, defenses, objections or requests which have been made or raised, or could be asserted thereafter, if the conditional admission and proposed form of discipline is approved.

Pursuant to Rule 53(b)(3), Ariz. R. Sup. Ct., notice of this agreement was provided to the complainants by letter of February 10, 2023, providing them the opportunity to file a written objection to the agreement with the State Bar within five (5) business days of bar counsel's notice. No objections were lodged.

Respondent conditionally admits that his conduct, as set forth below, violated Rule 42, ER 1.2, ER 1.3, ER 1.4, ER 1.5, ER 1.16, ER 8.4(c), and ER 8.4(d). Upon acceptance of this agreement, Respondent agrees to accept a suspension of six (6) months and one (1) day, and pay restitution. Respondent also agrees to pay the costs and expenses of the disciplinary proceeding, within 30 days from the date of this order. If costs are not paid within the 30 days interest will

begin to accrue at the legal rate.¹ The State Bar's Statement of Costs and Expenses is attached hereto as Exhibit A.

FACTS

GENERAL ALLEGATIONS

- 1. Respondent was admitted to practice law in Arizona on October 20, 2005.
 - 2. On July 26, 2022, Respondent was placed on disability inactive status.
- 3. Respondent understands that he will remain on disability inactive status and be ineligible to practice at the conclusion of the below agreed upon disciplinary suspension, unless he successfully reinstates from disability inactive status pursuant to Rule 63(g) Ariz. R. Sup. Ct.

COUNT ONE (File no. 22-0104/Cowan)

4. In 2018, Michael Dunton hired Respondent to represent him as the plaintiff in an employment law case.

Respondent understands that the costs and expenses of the disciplinary proceeding include the costs and expenses of the State Bar of Arizona, the Disciplinary Clerk, the Probable Cause Committee, the Presiding Disciplinary Judge and the Supreme Court of Arizona.

- 5. On August 21, 2018, Respondent initiated a complaint on Dunton's behalf in the U.S. District Court of Arizona (Phoenix Division, No. 2:18 cv-02652-JGZ).
- 6. On August 20, 2020, after briefing by both parties, the court granted the defendants' motion for summary judgment and dismissed Dunton's case.
- 7. On September 22, 2020, Respondent filed an untimely notice of appeal to the 9th circuit.
 - 8. On October 7, 2020, the 9th circuit court issued an order stating:

This court may lack jurisdiction over this appeal because the notice of appeal was not filed within 30 days after the district court's judgment entered on August 20, 2020. Within 21 days after the date of this order, appellant shall move for voluntary dismissal of the appeal or show cause why it should not be dismissed for lack of jurisdiction.

. . .

If appellant does not comply with this order, the Clerk shall dismiss this appeal pursuant to Ninth Circuit Rule 42-1.

9. On October 28, 2020, Respondent filed Appellant's Response to Order to Show Cause. He included emails that he sent to the court on the evening of the September 21, 2020 due date in which he stated: "my authority to e-file has been changed and I can only access PACER."

- 10. On December 14, 2020, the court held that it lacked jurisdiction because the appeal was not filed within 30 days and dismissed the appeal. Respondent billed .1 hours for reviewing the order but did not inform Dunton that the appeal had been dismissed or that he failed to timely file it.
- 11. Unaware that the case had been dismissed, Dunton paid \$4,000 to Respondent for representation related to pursuing the appeal.
- 12. In Count One, Respondent violated ER 1.2, ER 1.3, ER 1.4, ER 1.5, ER 8.4(c), and ER 8.4(d).

COUNT TWO (File no. 22-0355/Peralta)

- 13. In April of 2021, Jesus and Elizabeth Peralta hired Respondent to defend them in a civil case (S1400CV2018-00746, Yuma County Superior Court).
- 14. Respondent stopped communicating with the Peralta's following an October 11, 2021, bench trial at which they did not prevail.
- 15. On October 12, 2021, judgment was entered against the Peralta's in the amount of \$39,300. Respondent did not inform the Peralta's of the judgment.
- 16. On November 19, 2021, just after Respondent entered a rehabilitation program, the opposing party moved for attorneys' fees. Because he was not

working at the time, Respondent did not oppose the motion or consult with the Peralta's regarding whether they wished to do so.

17. In Count Two, Respondent violated ER 1.2, ER 1.3, ER 1.4, and ER 8.4(d).

COUNT THREE (File no. 22-0687/Tiedt)

- 18. Evelyn Groper hired Respondent in a personal injury case.
- 19. On November 1, 2020, during the pendency of the representation, Groper died.
- 20. After her death, Respondent informed the personal representative of Groper's estate, Veronica Tiedt, that he would prepare a civil complaint on behalf of the estate. Respondent, however, failed to do so and stopped communicating with Tiedt for more than one year.
 - 21. In Count Three, Respondent violated ER 1.3, ER 1.4, and ER 8.4(d).

22. Respondent's former law partner, Brandi Cowan, submitted a bar charge regarding Respondent's representation of the following clients: Silao, Rambo, and Belenski.

COUNT FOUR (File No. 22-0795/Cowan)

<u>Silao</u>

- 23. In the Silao matter, Respondent failed to inform Silao of an arbitration hearing on a real estate dispute. A judgment was entered against Silao without his knowledge. He later discovered the judgment on his credit report.
- 24. Silao paid the first judgment and, on July 19, 2022, and the creditor filed a satisfaction of judgment.

Belenski

25. Sasha Belenski is the widow of Joel Belenski. Belenski hired Respondent, shortly before he went to rehab, to challenge the government's denial of her claim for death benefits. Respondent indicated to Belenski that he would submit paperwork to the Government on her behalf. He, however, did not do so.

Rambo

- 26. Respondent was hired to defend Renate Rambo and/or her business, Red's Bird Cage Saloon, in Yuma County Superior court case no. S-1400-CV-202100111. The case involved an over-served bar patron who was involved in an auto-accident that killed another driver.
- 27. Respondent co-counseled the case with Gregory Torok, until Torok consented to a four-year disciplinary suspension that took effect on September 2, 2021. (PDJ2021-9089).

- 28. After Respondent returned from rehab, he failed to appear for a February 28, 2022, scheduling conference in the case. He also failed to appear for the resulting order to show cause hearing held on April 4, 2022.
- 29. By order of August 12, 2022, the court imposed a monetary sanction against Respondent and Torok in the amount of \$2,481.28, to be paid jointly and severally. The amount has not been paid.
 - 30. In Count Four, Respondent violated ERs 1.3, 1.4, and 8.4(d).

COUNT FIVE (Judicial)

- 31. In Maricopa County case no. CV2020-003075, Judge Randall Warner issued a September 15, 2022 minute entry that he forwarded to the State Bar.
- 32. The minute entry included findings that Respondent failed to keep his clients apprised of the progress of the case and failed to inform them of required discovery and depositions.
- 33. Respondent wrote a letter to his clients relying upon an incorrect address, but his clients did not receive actual notice of his motion to withdraw until the day of a September 15, 2022 hearing in the case at which Respondent did not appear.
 - 34. In Count Five, Respondent violated ERs 1.4, 1.16, and 8.4(d).

CONDITIONAL ADMISSIONS

Respondent's admissions are being tendered in exchange for the form of discipline stated below and are submitted freely and voluntarily and not as a result of coercion or intimidation. Respondent conditionally admits that he violated Rule 42, Ariz. R. Sup. Ct., specifically ERs 1.2, 1.3, 1.4, 1.5, ER 1.16, 8.4(c), and 8.4(d).

CONDITIONAL DISMISSALS

There are no conditional dismissals.

RESTITUTION

Respondent shall pay restitution in the following amounts:

- a) \$4,000 to Complainant Michael Dunton in count one. Respondent shall pay Dunton \$1,000 by the first of each month, beginning the month following issuance of the final judgment and order in this matter.
- b) \$2,481.28, plus any applicable interest, to fully satisfy the judgment described in count four entered in Yuma County Superior court case no. S-1400-CV-202100111. Payment shall be made within 30 days of the judgment and order entered in this discipline matter.

SANCTION

Respondent and the State Bar of Arizona agree that based on the facts and circumstances of this matter, as set forth above, the following sanctions are appropriate: Suspension of six (6) months and one (1) day, and restitution in counts one and four. If Respondent violates any of the terms of this agreement, the State Bar may bring further discipline proceedings.

LEGAL GROUNDS IN SUPPORT OF SANCTION

In determining an appropriate sanction, the parties consulted the American Bar Association's *Standards for Imposing Lawyer Sanctions (Standards)* pursuant to Rule 57(a)(2)(E). The *Standards* are designed to promote consistency in the imposition of sanctions by identifying relevant factors that courts should consider and then applying those factors to situations where lawyers have engaged in various types of misconduct. *Standard* 1.3, *In re Pappas*, 159 Ariz. 516, 768 P.2d 1161 (1988). The *Standards* provide guidance with respect to an appropriate sanction in this matter.

In determining an appropriate sanction, the Court considers the duty violated, the lawyer's mental state, the actual or potential injury caused by the misconduct and the existence of aggravating and mitigating factors. *Standard* 3.0.

The parties agree that *Standard 4.4 Lack of Diligence* is applicable given the facts and circumstances of this matter. Specifically, *Standard 4.42 Lack of Diligence* provides that suspension is generally appropriate when:

- a) a lawyer knowingly fails to perform services for a client and causes injury or potential injury to a client, or
- b) a lawyer engages in a pattern of neglect causes injury to potential injury to a client.

The parties further agree that *Standard 4.6 Lack of Candor* is applicable. Specifically, Standard 4.62 provides that "Suspension is generally appropriate when a lawyer knowingly deceives a client, and causes injury or potential injury to the client."

The duty violated

Respondent's conduct violated his duty to the clients and the legal system.

The lawyer's mental state

Respondent in some instances acted with a knowing mental state and in some instances acted with a negligent mental state in violating the Rules of Professional Conduct.

The extent of the actual or potential injury

There was actual harm to Respondent's clients in the above referenced matters.

Aggravating and mitigating circumstances

The presumptive sanction is Suspension. The parties conditionally agree that the following aggravating and mitigating factors should be considered:

In aggravation:

- a) 9.22(b) dishonest or selfish motive (Respondent misled Michael Dunton concerning the dismissed status of his case).
- b) 9.22(c) a pattern of misconduct (Respondent abandoned multiple clients)
- c) 9.22(d) multiple offenses (Respondent violated the several ethical rules indicated herein).

In mitigation:

- a) 9.32(c) personal or emotional problems (documented in Respondent's disability case)
- b) 9.32(1) remorse (Respondent regrets his actions)

Discussion

The parties conditionally agree that upon application of the aggravating and mitigating factors the presumptive sanction of suspension is appropriate and within the range of appropriate sanction and will serve the purposes of lawyer discipline.

CONCLUSION

The object of lawyer discipline is not to punish the lawyer, but to protect the public, the profession and the administration of justice. In re *Peasley, 208 Ariz. 27 (2004)*. Recognizing that determination of the appropriate sanction is the prerogative of the Presiding Disciplinary Judge, the State Bar and Respondent believe that the objectives of discipline will be met by the imposition of the proposed sanction of Suspension and the imposition of costs and expenses. A proposed form of order is attached hereto as Exhibit B.

DATED this day of February 2023.

STATE BAR OF ARIZONA

Hunter F. Perlmeter Senior Bar Counsel

This agreement, with conditional admissions, is submitted freely and voluntarily and not under coercion or intimidation. I acknowledge my duty under the Rules of the Supreme Court with respect to discipline and

reinstatement. I understand these duties may include notification of clients, return of property and other rules pertaining to suspension.

DATED this ______ day of February, 2023.

Ryan Christopher Hengl
Respondent

DATED this ______ day of February, 2023.

Gary L. Stuart

Counsel for Respondent

Approved as to form and content

Maret Vessella

Chief Bar Counsel

Original filed with the Disciplinary Clerk of the Office of the Presiding Disciplinary Judge of the Supreme Court of Arizona this day of February, 2023.

Copy of the foregoing emailed this 15th day of February, 2023, to:

The Honorable Margaret H. Downie Presiding Disciplinary Judge

Supreme Court of Arizona 1501 West Washington Street, Suite 102 Phoenix, Arizona 85007 E-mail: officepdi@courts.az.gov

Copy of the foregoing emailed this ____ day of February, 2023, to:

Gary L. Stuart 2039 E. Glenn Dr. Phoenix, Arizona 85020-5647 Email: gstuart@keyed.com Respondent's Counsel

Copy of the foregoing hand-delivered this day of February, 2023, to:

Lawyer Regulation Records Manager State Bar of Arizona 4201 N. 24th St., Suite 100 Phoenix, Arizona 85016-6266

HFP/llp

EXHIBIT A

Statement of Costs and Expenses

In the Matter of a Disability Member of The State Bar of Arizona, Ryan Christopher Hengl Bar No. 023931, Respondent.

File No(s). 22-0104, 22-0355, 22-0687, 22-0795, 22-2058

Administrative Expenses

The Supreme Court of Arizona has adopted a schedule of administrative expenses to be assessed in lawyer discipline. If the number of charges/complainants exceeds five, the assessment for the general administrative expenses shall increase by 20% for each additional charge/complainant where a violation is admitted or proven.

Factors considered in the administrative expense are time expended by staff bar counsel, paralegal, secretaries, typists, file clerks and messenger; and normal postage charges, telephone costs, office supplies and all similar factors generally attributed to office overhead. As a matter of course, administrative costs will increase based on the length of time it takes a matter to proceed through the adjudication process.

General Administrative Expenses for above-numbered proceedings

\$1,200.00

Additional costs incurred by the State Bar of Arizona in the processing of this disciplinary matter, and not included in administrative expenses, are itemized below.

Additional Costs 02/08/22 Computer investigation report (PACER) \$ 4.60 Total for additional costs \$ 4.60 TOTAL COSTS AND EXPENSES INCURRED \$ 1,204.60

EXHIBIT B

BEFORE THE PRESIDING DISCIPLINARY JUDGE

IN THE MATTER OF A MEMBER OF THE STATE BAR OF ARIZONA,

PDJ 2023-9014

RYAN CHRISTOPHER HENGL, Bar No. 023931, FINAL JUDGMENT AND ORDER

State Bar No. 22-0104, 22-0355, 22-0687, 22-0795, and 22-2058

The Presiding Disciplinary Judge of the Supreme Court of Arizona, having reviewed the Agreement for Discipline by Consent pursuant to Rule 57(a), Ariz. R. Sup. Ct., accepts the parties' proposed agreement.

Accordingly:

IT IS ORDERED that Respondent, Ryan Christopher Hengl, is Suspended for six (6) months and one (1) day for his conduct in violation of the Arizona Rules of Professional Conduct, as outlined in the consent documents, effective 30 days from the date of this order.

IT IS FURTHER ORDERED that Respondent shall pay restitution in the following amounts:

- a) \$4,000 to the complainant in count one, Michael Dunton. Respondent shall pay Dunton \$1,000 by the first of each month, beginning the month following issuance of the final judgment and order in this matter.
- b) \$2,481.28, plus any applicable interest, to fully satisfy the judgment described in count four entered in Yuma County Superior court case no. S-1400-CV-202100111. Payment shall be made within 30 days of the judgment and order entered in this discipline matter.

IT IS FURTHER ORDERED that, pursuant to Rule 72 Ariz. R. Sup. Ct., Respondent shall immediately comply with the requirements relating to notification of clients and others.

IT IS FURTHER ORDERED that Respondent pay the costs and expenses of the State Bar of Arizona in the amount of \$ ______, within 30 days from the date of service of this Order.

IT IS FURTHER ORDERED that Respondent shall pay the costs and expenses incurred by the disciplinary clerk and/or Presiding Disciplinary Judge's Office in connection with these disciplinary proceedings in the amount of ______, within 30 days from the date of service of this Order.

DATED this _____ day of March, 2023.

Margaret H. Downie, Presiding Disciplinary Judge

Original filed with the Disciplinary Clerk of
the Office of the Presiding Disciplinary Judge
of the Supreme Court of Arizona
this day of March, 2023.
Copies of the foregoing mailed/emailed
this day of March, 2023, to:
Gary L. Stuart
2039 E. Glenn Dr.
Phoenix, Arizona 85020-5647
Email: gstuart@keyed.com
Respondent's Counsel
•
Copy of the foregoing emailed/hand-delivered
this day of March, 2023, to:
Hunter F. Perlmeter
Senior Bar Counsel
State Bar of Arizona
4201 N 24th Street, Suite 100
Phoenix, Arizona 85016-6266
Email: LRO@staff.azbar.org
Copy of the foregoing hand-delivered
this day of March, 2023 to:
Lawyer Regulation Records Manager
State Bar of Arizona

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